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Canada's New Government Starts Canada Down the Road to a Cleaner Environment With New Transportation Initiatives

The Honourable Jim Flaherty, Minister of Finance, the Honourable John Baird, Minister of the Environment, and the Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities, today highlighted the benefits of the Government's new green transportation initiatives.

In Budget 2007, Canada's New Government announced several new measures designed to encourage consumers to purchase or lease fuel-efficient vehicles and get older vehicles off the road. While visiting a Transport Canada facility where vehicles are tested under the recently announced ecoTechnology for Vehicles Program, the Ministers re-emphasized the Government's commitment to preserve and protect our environment.

"Our plan is a win-win-win for Canadians and Canada: Canadians get a rebate when they purchase a fuel-efficient vehicle, they reduce their fuel costs and we all get a cleaner environment," said Minister Flaherty. "Our approach will also encourage investments in green technology, which will strengthen our economy and protect the environment.

The green transportation initiatives include:

- The ecoAUTO Rebate Program, a performance-based program offering up to $2,000 for the purchase or long-term lease of a new fuel-efficient vehicle.
- A new Green Levy on gas-guzzling vehicles.
- $6 million over the next two years for a seven-fold increase in current annual federal government support for vehicle scrappage programs.
- $30 million over the next two years for incentives to be designed by Environment Canada and Transport Canada in consultation with stakeholders to remove older vehicles from Canadian roads.

"Through Budget 2007, Canada's New Government is helping Canadians and their communities to make green choices in transportation and infrastructure," said Minister Cannon. "In addition to today's ecoAUTO announcement, we will also answer the needs of small communities and large cities by investing $33 billion in infrastructure, including public transit. We are also extending the tax credit for public transit passes to innovative fare products, such as electronic fare cards and weekly passes."

To ensure a healthier and cleaner environment, the Government is also dedicating $2 billion over the next seven years for the production of renewable fuels.

"It is critical that we take steps to preserve and protect our environment for our children and grandchildren," said Minister Baird. "Canadians and our environment demand strong action from governments and industry to tackle climate change. These initiatives will help Canadians make greener choices about the cars and trucks they drive in order to help keep us all moving down the road to a cleaner and healthier tomorrow."

"We applaud the federal government's announcement to support vehicle scrappage through programs such as Car Heaven. Since 2000, we've taken 50,000 old, higher-polluting vehicles off the road. Working with the Government of Canada and other stakeholders, we hope to see more old cars coming to a good end than ever before," said Fatima Dharsee, Car Heaven Program Manager of the Clean Air Foundation.

"The Automotive Recyclers of Canada association is keen to work with the federal government to enhance the early vehicle retirement programs that exist across Canada. Providing the structure for a unified program available to all Canadians, along with incentives to encourage early retirement, will take programs like Car Heaven to the next level. As professional automotive recyclers, we are committed to supporting the initiative and ensuring the vehicles are retired in a responsible and efficient manner," said Steve Fletcher, Managing Director of the Automotive Recyclers of Canada.

For more information on this measure, please visit http://www.tc.gc.ca/programs/environment/ecotransport/ecoauto.htm.

For information on other budget initiatives, please visit www.budget.gc.ca.

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